

BLACKBURN & COMPANY
INCORPORATED

Media Brokers & Appraisers Since 1947

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

September 23, 1992

EX PARTE OR LATE FILED

Donna R. Searcy, Secretary
Federal Communications Commission
1919 M St. NW
Washington DC 20554

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Dear Madam Secretary:

Enclosed please find late-filed comments of Blackburn & Company, Inc., on:

In the Matter of

MM Docket No. 91-221

Review of the Commission's
Regulations Governing Television
Broadcasting

We have enclosed an original and eleven copies so that there will be at least one copy for each of the Commissioners.

Yours truly,

BLACKBURN & COMPANY, INC.

Jack V. Harvey

Encs.

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D. C. 20544

In the Matter of
Review of the Commission's
Regulations Governing Television
Broadcasting

}
} MM Docket No. 91-221

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COMMENTS OF BLACKBURN & COMPANY, INC.

Blackburn & Company, Inc., submits the following comments in response to the FCC's Notice of Proposed Rulemaking (MM Docket No. 91-221).

Blackburn & Company, Inc., is a nationwide media brokerage firm which for over 40 years has engaged in buying, selling, financing and appraising radio and television stations. During this period we have completed well over 1,500 broadcast transactions.

Our experience in the television station trading market leads us to concur wholeheartedly with the conclusion of the 1991 report of the FCC Office of Plans and Policy that "the policies of the FCC and the entire Federal government spawned new competition to broadcast services that have resulted in a plethora of new services and choices for video consumers," and that "these competitive forces were affecting the ability of over-the-air television to contribute to a diverse and competitive video programming marketplace."

To this we would add the observation that of this "plethora of new services," none is free of charge to the consumer, as is over-the-air television. Thus the policies of the past 15 years have led to a gradual diminishment of "free" television and a gradual negation of that unique aspect of our broadcasting system that has made it great.

We salute the Commission for its recognition of this problem and its desire to do something about it. The commission has already revised its radio rules in a well-conceived effort to strengthen that arm of the industry; it should now make similar changes in the television rules.

Of the many alternative proposals contained in the Proposed

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Rulemaking, the following, in our view, are the most important for the health and viability of over-the-air television and the maintenance of **FREE** television -- conditions that are both vital to the public interest:

1. The existing multiple ownership limitation (12 stations) should be eliminated. FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

2. The standard for prohibited overlap of commonly owned stations should be the Grade A contours rather than the present Grade B.

3. Common ownership of two television stations in the same market should be permitted, provided that at least one of these is UHF.

4. Common ownership of television (VHF or UHF) and AM/FM radio stations in the same market should be permitted.

In addition to these rule changes, all of which are among those under consideration in the Commission's Notice of Proposed Rulemaking, we would recommend and urge one further change which was not addressed in said Notice:

5. Common ownership of newspapers and broadcast stations (both radio and television) in the same market should be permitted -- not only those situations that are presently grandfathered, but also new acquisitions.

At the inception of the television industry, in the 1940's and early 1950's, when television was an uncertain business requiring substantial amounts of risk capital for its establishment, newspaper ownership of television stations was welcomed and encouraged. Two decades later, when the industry had become highly profitable, newspapers were prohibited from common television ownership acquisitions and were encouraged -- and in several cases required -- to divest of such commonly-owned properties. It is time to reverse this situation and give newspaper owners the opportunity to help maintain our **FREE** television industry by allowing them to acquire stations in their own markets.

Thank you.